

# Subregional Productivity<sup>1</sup>: Midlands Engine Area

#### In Summary:

- In 2022, unsmoothed GVA per hour for the overall Midlands Engine area<sup>2</sup> was £35.45. Since 2021, the Midlands Engine area increased by 3.3% (+£1.14), the UK increased by 5.7% (+£2.20). When compared to 2019, GVA per hour in the Midlands Engine area increased by 12.3% (+£3.89) while the UK increased by 13.6% (+£4.90).
- In 2022, UK unsmoothed GVA per hour was £41.00 meaning the Midlands Engine area had a shortfall of £5.55.

## Full Brief

## **GVA per hour<sup>3</sup>**

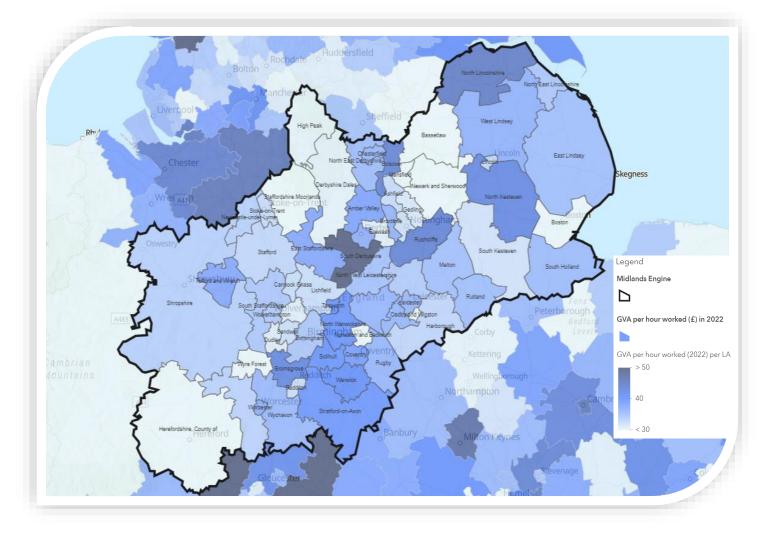
- In 2022, unsmoothed GVA per hour for the overall Midlands Engine area was £35.45. Since 2021, the Midlands Engine area increased by 3.3% (+£1.14), the UK increased by 5.7% (+£2.20). When compared to 2019, GVA per hour in the Midlands Engine area increased by 12.3% (+£3.89) while the UK increased by 13.6% (+£4.90). In 2022, UK unsmoothed GVA per hour was £41.00 meaning the Midlands Engine area had a shortfall of £5.55.
- Across all local authorities (361), GVA per hour is only available on a smoothed basis. The UK smoothed GVA per hour was £39.70 in 2022. Within the Midlands Engine area, 8 local authorities were above and a further two the same as the UK figure with South Derbyshire the highest at £54.50.
- Since 2021, UK smoothed GVA per hour increased by 1.5%. Within the Midlands Engine area, 52 local authorities increased with the highest being North Lincolnshire (+5.9% or +£2.50 to £44.60). Melton remained at £35.00 and 12 local authorities decreased with the largest fall in South Derbyshire (-4.0% or £2.30).
- When compared to 2019, UK smoothed GVA per hour increased by 8.5%. Within the Midlands Engine area, 58 local authorities increased with the highest value increased was North Lincolnshire (+£8.70, second highest percentage increase +24.2%) and highest percentage increase in Tamworth (+24.5%, second highest value increase +£7.90). Two local authorities were at the same level (Melton and Malvern Hills with the latter at £33.40).
- In 2022, smoothed GVA per hour for the West Midlands region was £34.60. Since 2021, the West Midlands region increased by 1.5% (+£0.50) and when compared to 2019, GVA per hour increased by 7.8% (+£2.50). In 2022, smoothed GVA per hour for the East Midlands region was £34.30. Since 2021, the East Midlands region increased by 1.2% (+£0.40) and when compared to 2019, GVA per hour increased by 8.2% (+£2.60).

<sup>&</sup>lt;sup>1</sup> Source: Office for National Statistics (ONS), Regional and subregional labour productivity, UK: 2022, released June 2024.

<sup>&</sup>lt;sup>2</sup> An overall Midlands Engine figure has been calculated and is only available on an unsmoothed basis. All other analysis is based on smoothed data (using a weighted 5-year moving average). All data is based on current prices.

<sup>&</sup>lt;sup>3</sup> GVA per hour worked divides GVA by the total hours worked by the workforce in the area.





#### Smoothed GVA per Hour by Local Authority within the Midlands Engine 2022:

## **GVA per Filled Job**<sup>4</sup>

In 2022, unsmoothed GVA per filled job for the overall Midlands Engine area was £56,328. Since 2021, the Midlands Engine area increased by 6.4% (+£3,391), the UK increased by 8.0% (+£4,838). When compared to 2019, GVA per filled job in the Midlands Engine area increased by 12.3% (+£6,181), matching the UK growth rate. In 2022, UK unsmoothed GVA per job filled was £65,443 meaning the Midlands Engine area had a shortfall of £9,115.

<sup>&</sup>lt;sup>4</sup> GVA per filled job allocates GVA to the number of jobs in the area.